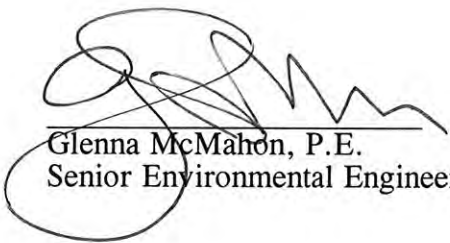


Phase I Environmental Site Assessment


**Phase I Environmental Site Assessment
28201 Rancho Parkway
Lake Forest, CA 92630**

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January 2014

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1. Executive Summary

A Phase I Environmental Site Assessment (ESA) was conducted for the property located at 28201 Rancho Parkway (Assessor's Parcel Numbers [APN] 104-143-46, -47 and -48) in Lake Forest, California (subject property, Figures 1 and 2). The subject property is approximately 30 acres and is currently occupied by construction, trucking, and landscaping companies.

The findings of this investigation are based upon a review of historical source information and regulatory database records, interviews with the property owner, property manager, and tenants, and a site reconnaissance.

Information gathered for this report indicated the following:

- The subject property was undeveloped scrubland from at least 1938 until 1977. By the 1980s, El Toro Materials Company was conducting sand mining operations and used a conveyor belt to transfer the mined material to the adjoining property, east of Portola Parkway. By 2010, El Toro Materials had ceased mining operations at the subject property.
- Four aboveground storage tanks (ASTs), likely containing petroleum products, were observed on the subject property. Two of the ASTs had secondary containment. A gasoline odor was present near the ASTs located in the southwestern portion of the subject property. Minor staining was also observed in the vicinity of the southwestern ASTs.
- Chemical storage was observed in several tenant spaces on the subject property. Minor staining was observed on the ground in the northern and eastern portions of the subject property.
- Adjacent properties consist of Highway 241, Rancho Parkway, Portola Parkway, and commercial properties.
- Based on the review of the EDR report, it is unlikely that off-site properties have impacted the environmental conditions at the subject property.
- Data gaps identified as part of this investigation include limited access during the site reconnaissance and limited property use information.

Based on information reviewed, no recognized environmental conditions were identified. The following historical recognized environmental condition was identified:

- A polychlorinated biphenyl (PCB) containing transformer was previously located on the subject property. In 2011, the PCB-containing transformer was properly removed from the site and disposed according to applicable local, state, and federal regulations.

Dudek recommends that Baker Ranch follow up with all tenants to verify that housekeeping practices with regard to chemical storage and use are in accordance with local statutes.

2. Introduction

This Phase I Environmental Site Assessment was performed according to the guidelines stipulated in the American Society for Testing and Materials Standard E 1527-13, “Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process”. The subject property is located at 28201 Rancho Parkway in Lake Forest, California. This Phase I ESA is being conducted prior to redevelopment of the property.

2.1. Assessment Procedure and Scope of Investigation

Phase I Environmental Site Assessments assist in identifying past and present land use, including identification of possible releases or disposal of manufacturing or other wastes if such information is contained within regulatory reports, files, and/or is currently visible onsite. The assessment reviews Local, County, State, and U.S. Environmental Protection Agency lists of known or potentially hazardous waste sites, landfills, and sites currently under investigation for environmental violations that may be of concern to this site.

The scope of the environmental investigation consisted of: 1) a reconnaissance of the subject property; 2) review of regulatory database records; 3) a review of available historical aerial photographs, and topographic maps; 4) a review of Sanborn fire insurance maps, and City Directory listings; 5) an interview with the property owner, property manager, and tenants; 6) review of available regulatory agency files; 7) Vapor Encroachment screening; and 9) the preparation of this Phase I Environmental Site Assessment Report detailing the findings of the investigation.

These activities were conducted in order to identify recognized environmental conditions. The term recognized environmental conditions means the presence or likely presence of any hazardous substances or petroleum products in, on, or at the subject property, 1) due to any release to the environment, 2) under conditions that indicate a release to the environment, or 3) under conditions that pose a material threat of a release to the environment.

The term controlled recognized environmental condition is an environmental condition that would have been considered a recognized environmental condition in the past, but which has been remediated, and received risk-based closure by a regulatory agency (i.e. no further action letter) where residual contamination remains in place. Furthermore, controlled recognized environmental condition is used if the property is subject to a control or use restriction (i.e. property use restrictions, activity

and use limitations, institutional controls, or engineering controls) due to the residual onsite contamination.

The term historical recognized environmental condition is an environmental condition that would have been considered a recognized environmental condition in the past, but which has been remediated and received unrestricted residential use closure by the regulatory agency. Therefore, no controls or use restrictions have been applied to the property.

The term recognized environmental condition is not intended to include *de minimus* conditions. *De minimus* conditions are conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.

2.2 *Qualifications of Environmental Professionals*

The Phase I ESA was conducted under the supervision of Glenna McMahon, a Professional Engineer with over 14 years of relevant experience. The Phase I ESA was prepared by Rachel Ganiere, Environmental Engineer. Qualifications for Ms. Ganiere and Ms. McMahon are presented in Appendix A.

We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental professionals as defined in Section 312.10 of 40 CFR 312. We have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed all the appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

3. Site Location

The subject property consists of approximately 30 acres of land and is located at the northwest corner of Portola Parkway and Rancho Parkway, within APNs 104-143-46, -47, and -48 (Figures 1 and 2) in Lake Forest, California. The subject property is bordered to the north by Highway 241, to the east by Portola Parkway, to the south by Rancho Parkway, and to the west by commercial properties.

4. Environmental Setting

General topographic information for the subject property and the surrounding area was obtained from a review of a USGS topographic map for El Toro, California, from the EDR report (Appendix B), from Google Earth, from the owner supplied topographic site map (Appendix C), and from the site visit. The subject property is characterized by swales and graded areas from the former sand mining operations. The elevation of the subject property is between 760 and 800 feet above mean sea level (Appendix C).

No subsurface geologic investigations were performed as part of the Phase I ESA. According to the United States Department of Agriculture (USDA) National Cooperative Soil Survey (NCSS), the soil on the subject property consists of sandy loam.

Five water wells were mapped by EDR between ½ and 1 mile west and southwest of the subject property. No well construction or groundwater information was available for four of the five wells. The depth of the well located approximately 0.6 miles southwest of the subject property is 800 feet. No depth to water or groundwater flow direction information was provided in the EDR report. The regional shallow groundwater flow direction is inferred to be south/southeast, based on surface topography (Appendix B).

Dudek accessed the State Water Resources Control Board Geotracker website on December 2, 2013 for groundwater information for the area. Orange County Fire Station #54 located at 19811 Pauling, approximately 0.4 miles northeast of the subject property, reported a leaking underground storage tank in 2001. According to the 2003 Case Closure document, groundwater is greater than 60 feet below ground surface. No information regarding the groundwater flow direction was provided in the Case Closure documentation.

One oil well was mapped by EDR within one mile of the subject property (Appendix B). The oil well is located approximately 0.9 miles northeast of the subject property. According to Department of Oil, Gas, and Geothermal Resources (DOGGR), the well was drilled in 1963 and abandoned in 1965.

5. Interviews

5.1. Site Owner Representative Interview

On December 9, 2013 Larry Tucker, representative for the owner of the subject property, completed a Property Background Information Questionnaire for the subject property (Appendix C). Below is a summary of the responses.

Mr. Tucker indicated that previously El Toro Materials leased the subject property for at least 20 years. During El Toro Materials' tenure at the subject property, the site was used as a sand mine and sales operation. Mr. Tucker indicated that concrete and asphalt recycling was formerly performed by El Toro Materials. Broken concrete and asphalt were recycled by grinding the materials, which were then sold as road base. These operations ceased in 2010. Mr. Tucker noted that the MINES permit has been kept current for grading purposes.

Mr. Tucker indicated that the subject property is currently used as a storage yard. Mr. Tucker indicated that portions of the subject property have been used for storage for up to 10 years. Mr. Tucker indicated that he has limited knowledge regarding the operations and activities at the subject property prior to 2010. He noted that petroleum products and pesticides have been stored on the property. Mr. Tucker

indicated that he believes a septic tank is located onsite. Also, above ground storage tanks containing fuel are located on the subject property. Mr. Tucker noted that approximately 2,000 cubic yards of soil from a road project in Newport Beach is stored onsite. No sampling data for the soil was available.

5.2. *Site Property Manager Interview*

On December 5, 2013 Rachel Ganiere of Dudek interviewed Lisa Pittman, Property Manager for the subject property. Ms. Pittman has been associated with the subject property since 1995. She provided information regarding chemical storage at the site as well as historical information.

Ms. Pittman stated that El Toro Materials Company began sand mining operations in the area in 1965. By the late 1980s, El Toro Materials Company began sand mining on the subject property. Mined material was transferred to the eastern adjoining property via conveyor belt. Ms. Pittman stated that the conveyor belt was removed from the subject property by 2003 when mining operations east of Portola Parkway ceased.

Ms. Pittman stated the former wheel wash associated with the former sand mine was located south of the subject property. The wheel wash was removed when Rancho Parkway was installed south of the subject property.

Ms. Pittman stated to her knowledge El Toro Materials did not store ASTs on the subject property. She noted that the ASTs were formerly located on the eastern adjoining property and subsequently on the southern adjoining property.

Ms. Pittman stated that to her knowledge underground storage tanks have not been located on the subject property. ASTs formerly associated with El Toro Materials were located on the southern adjoining property, south of Rancho Parkway. She noted that concrete and asphalt recycling operations were conducted on the southern adjoining property.

Ms. Pittman stated that a PCB-containing transformer was formerly located on the subject property. In February 2011, the transformer oil was sampled and tested positive for PCBs. The transformer oil contained 2.01 parts per million of PCB-1254. The oil was drained and properly disposed of by Starlite Reclamation Environmental Services in 2011 (Appendix C).

Ms. Pittman stated that there are no permanent buildings present at the subject property. Temporary office trailers are located at the property. Ms. Pittman stated that the above ground septic tanks are connected to the office trailers located in the southern portion of the subject property. Port-o-potties are located throughout the remainder of the property. Ms. Pittman stated that the septic tank and port-o-potties are pumped on a weekly basis.

A 2,500-gallon water truck and 2,500-gallon water storage tank are located on the southeastern portion of the subject property. Ms. Pittman stated that water is used to control dust at the site. In addition, Ms. Pittman stated that the water tower in the southeastern portion of the subject property is used by one of the tenants to store runoff water collected from irrigating the plants.

Ms. Pittman stated that there are currently 81 tenants located on the subject property (Appendix C). The tenants use the property for storage purposes, which include equipment and truck storage. Many of the tenants occupy just enough land to store one or two vehicles or pieces of equipment. Almost all tenants are on a month to month license. Ms. Pittman indicated that she inspects the property frequently and that all tenants are made aware of the requirement that they do not dump or store debris or unneeded materials and keep the site clean except as part of staging for jobs as allowed by Ms. Pittman as the property manager.

Prior to the site reconnaissance, Ms. Pittman requested information regarding chemical storage from the landscaping companies. Park West provided a list of chemicals stored on their portion of the subject property (Appendix C). The chemicals (1 quart to 6 gallon containers) are stored within two locked storage containers, which were not accessible during the site reconnaissance.

The other landscaping companies stated that chemicals are not stored onsite or did not respond to her requests. However, one of the landscaping tenants, which responded to her request, reported that an empty 1,000 gallon AST is store onsite between off-site construction jobs.

5.3. *Tenant Interviews*

On December 6, 2013, Dudek submitted a tenant interview questionnaire to Lisa Pittman, Property Manager, to send to the subject property tenants. Ms. Pittman sent the questionnaire to all tenants by mail. As of January 17, 2014, Ms. Pittman received 45 of the 80 interview forms back.

The questionnaires reviewed thus far indicated the following:

- The tenants primarily use the property for equipment and vehicle storage.
- Five tenants reported that petroleum products (i.e. used oil and/or oil) are stored on their leased portion of the property. The petroleum products are primarily stored in 5 gallon to 55 gallon containers; one tenant reported that oil was stored in a 150 gallon AST.
- Park West indicated that in addition to petroleum products, herbicides and insecticides are stored on their portion of the property. The chemicals are stored in 1 quart to 6 gallon containers. Also, Park West reported that minor truck repairs are conducted onsite.

- In addition to the five tenants, D&J Washout Systems reported that a 2,000-gallon AST is stored onsite. The AST stores concrete wash water which may have trace amount of petroleum products.

5.4. User-Provided Information

In accordance with ASTM Standard 1527-13, Larry Tucker of Baker Ranch Properties, LLC provided the following information:

- 1) Are you aware of any environmental cleanup liens against the property that are filed or recorded under federal, tribal, state or local law?
No
- 2) Are you aware of any activity and land use limitations (AUL), such as engineering controls, land use restrictions or institutional controls that are in place at the site and/or have been filed or recorded in a registry under federal, tribal, state or local law?
No
- 3) As the user of this ESA, do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business?
No
- 4) If the purchase price of the subject property was below fair market value, did this occur because contamination was/is known or believed to be present at the property?
We plan to sell the property and it will not be discounted due to contamination.
- 5) Are you aware of commonly known or reasonably ascertainable information about the property that would help the environmental professional to identify conditions indicative of releases or threatened releases?
No
- 6) As the user of this ESA, based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of contamination at the property?
No

5.5. Agency Interview

5.5.1. County of Orange Health Care Agency, Environmental Health Division

Dudek requested information about the subject property from the County of Orange Health Care Agency Environmental Health Division (OCHCA). The records on file

include inspection reports for El Toro Materials Company, R&S Soil Products, and Jem Crane Company (Appendix D).

El Toro Materials Company Records

Inspection Reports dated between 2000 and 2010 indicated that hazardous waste generated at the subject property consists of used oil, contaminated/waste diesel, and used oil filters. In 2000, two diesel ASTs were observed by the OCHCA inspection at the subject property (which included the eastern and southern adjoining properties). In 2009, the inspection reports noted that two diesel ASTs, two new oil ASTs, one gasoline AST, and one waste oil AST were located in the repair yard; by 2011 the ASTs were removed from the site. The final inspection report, dated November 22, 2010, stated that the business, El Toro Materials, would be removed from the hazardous waste inspection program since final waste pickup/disposal documentation was provided to OCHCA.

The 2000 and 2009 inspection reports recorded housekeeping and record keeping violations. The violations were address and El Toro Materials received return-to-compliance documentation.

R&S Soil Products Records

According to Ms. Pittman, R&S Soil Products was formerly located on the western portion of the subject property. The inspection reports were dated between 2008 and 2010. According to the OCHCA inspection reports, R&S Soil Products maintained three ASTs and generated used oil. R&S received a record keeping violation in 2009 and subsequently received a certificate of return-to-compliance.

Jem Crane Service Records

The Jem Crane Services records available for review were dated between 2008 and 2010. The 2008 inspection record indicated that Jem Crane Service generated waste oil at the subject property. The 2010 inspection report indicated that no hazardous waste is stored or generated at the site and should be removed from the hazardous waste inspection program.

5.5.2. Orange County Local Enforcement Agency

Dudek requested information about the subject property from the Orange County Local Enforcement Agency (LEA). The request for information was made on December 4, 2013. Ms. Kathryn Cross of Orange County LEA referred Dudek to OCHCA for information on the subject property.

5.5.3. California Regional Water Quality Control Board, San Diego Region

Dudek requested information about the subject property from the Regional Water Quality Control Board (RWQCB). The RWQCB stated that no records were found for the subject property.

6. Site Reconnaissance

A site reconnaissance was conducted on December 5, 2013 by Rachel Ganiere of Dudek. The site reconnaissance consisted of walking the site, taking notes on observations, and taking photographs. Photographs are included in Appendix E. Ms. Lisa Pittman, Property Manager of the subject property, escorted Ms. Ganiere during the site reconnaissance.

The subject property currently consists of equipment storage and vehicle storage for 81 tenants (Photographs 1 through 6). Ms. Pittman stated that the eastern and northern portions of the property are occupied by landscaping companies. Vehicle and truck parking leased spaces are located in the central portions of the property (Photograph 1).

The northwestern portion of the subject property is occupied by stone and drilling companies (Photograph 4). R&S Soil was formerly located in the southwestern portion of the subject property; Ms. Pittman stated that the majority of the southwestern portion of the property is vacant. Construction companies, a landscaping company, and Saddleback occupy the central southern portion of the subject property (Photograph 6).

A 2,500-gallon water truck and 2,500-gallon water AST were observed in the southeastern portion of the subject property (Photograph 7). Ms. Pittman stated that water is stored onsite for dust control. A water tower associated with one of the tenants, Instant Jungle, was observed in the southeast portion of the subject property (Photograph 8). Ms. Pittman stated that the water tower contains runoff irrigation water.

Seven ASTs were observed in tenant spaces throughout the subject property (Photographs 9 through 11; Figure 2). Two of the ASTs were poly tanks which are typically associated with containment of water. The poly ASTs were observed in the northwestern and southwestern portions of the subject property (Figure 2). A third AST with secondary containment was observed in the northwestern portion. No information pertaining to the contents of the AST were readily available.

The remaining four ASTs had fuel dispensers connected to them, indicating they contained petroleum products. Two of the ASTs were observed within secondary containments. A gasoline-type odor was observed in the vicinity of the ASTs located in the southwestern portion of the subject property. Minor staining was also noted near these ASTs (Photograph 12).

Chemical storage in 5 gallon to 55 gallon containers was observed in tenant spaces throughout the subject property (Photographs 13 through 16). In addition, plastic totes, approximately 250 gallons each, were observed on the central portion of the subject

property (Photograph 16). According to Ms. Pittman, the plastic totes contain polyurethane resin. Minor staining was observed in the vicinity of the drums located along the northern portion of the subject property (Photographs 10 and 15). In addition, minor staining was observed on the eastern portion of the subject property.

Locked storage containers were also observed throughout the subject property. Access to the interior portions of the storage containers was not available during the site reconnaissance.

Three transformers were observed in the southeastern portion of the subject property. No staining was observed in the vicinity of the transformers. According to Ms. Pittman, two of the transformers are not in use and are waiting to be sold (Photographs 7 and 17). Furthermore, Ms. Pittman stated that none of the transformers contain PCBs.

A detention basin is located on the northeastern portion of the property (Photograph 18). According to Ms. Pittman, all stormwater is directed to the detention basin. During the site reconnaissance, vegetation and water were observed within the detention basin.

Detention Basin

A detention basin was observed on the subject property. Vegetation and small amounts of water were observed within the basin (Photograph 18). According to Mr. Tucker, the detention basin was installed by the City of Lake Forest in 2012 and is designed to capture runoff water until the site is developed.

Surface Water Discharge

Surface water flows south and east to the detention basin. A drainage ditch is located along the southern and eastern property boundary (Photograph 19).

Distressed Vegetation

Distressed vegetation was not observed on the subject property.

Indications of Solid Debris Storage

Dumpsters are present at the site. Ms. Pittman stated that solid waste debris is picked up on a weekly basis.

Chemical Storage or Use

Chemical storage was observed on the subject property. ASTs, 55-gallon drums, plastic totes, and 5-gallon containers were observed throughout the subject property within tenant spaces.

Unnaturally Discolored Ponds or Flowing Waters

No unnaturally discolored pools or flowing water were observed on the subject property.

Groundwater Wells, Cisterns, Cesspools or Septic Tanks

No wells were observed on the subject property.

Sumps

No sumps were observed on the subject property.

Transformers

Three transformers were observed on the southeastern portion of the subject property; two are non-operational. The third pad-mounted transformer services the onsite office trailers. No staining was observed in the vicinity of the transformers.

Abnormal Odor

Dudek did not notice any abnormal odors on the subject property.

Soil Disturbances

Piles of soil were observed in the northwestern portion of the subject property (Photograph 20). Ms. Pittman stated that the tenant stores fill soil until it can be used at an off-site construction site.

Storage Tanks

No evidence of underground storage tanks was observed on the subject property during the site reconnaissance.

Asbestos

No evidence of asbestos or asbestos-containing materials was observed on the subject property during the site reconnaissance.

Lead-Based Paint

No flaking or otherwise damaged paint was observed on the subject property during the site reconnaissance.

7. Review of Historical Aerial Photographs

Dudek reviewed historical aerial photographs from EDR for the years 1938, 1946, 1953, 1960, 1972, 1977, 1990, 1994, 2005, 2009, 2010, and 2012 (Appendix F). The photographs provide background information needed to assess the possibility of historical activities that could present environmental concerns.

The photographs indicate that the subject property was undeveloped until 1990. The aerial photographs are described in the following table:

| Date | Description |
|------|--|
| 1938 | The subject property and surrounding area consists of undeveloped land. A creek and dirt road are visible east of the subject property. A dirt road is visible west of the subject property. |
| 1946 | A dirt road is visible cutting through the western portion of the subject property in a north-south orientation. The remaining portions of the subject property and surrounding area appear similar to the 1938 aerial photograph. |

| | |
|------|---|
| 1953 | The subject property and surrounding area appear similar to the 1946 aerial photograph. |
| 1960 | Additional dirt roads are visible on the subject property. The remaining portions of the subject property appear similar to the 1953 aerial photograph. Grading is visible on the western adjoining property. Additionally, dirt roads are visible on the northern adjoining property. The southern and eastern adjoining properties appear similar to the 1953 aerial photograph. |
| 1972 | The additional dirt roads observed in the 1960 aerial photograph are no longer visible on the subject property. The north-south dirt road is visible on the subject property as noted in the 1946-1960 aerial photographs. Agricultural land is visible on the western adjoining property. The dirt roads observed in the 1960 aerial photograph are no longer visible. Grading activities is visible southeast of the subject property. The southern and eastern adjoining properties appear similar to the 1960 aerial photograph. |
| 1977 | Disturbed land is visible on the western portion of the subject property. The remaining portions of the subject property appear similar to the 1972 aerial photograph. A dirt road, vacant land and agricultural land is visible west of the subject property. The southern adjoining property appears similar to the 1972 aerial photograph. Disturbed land is visible southeast and east of the subject property. The dirt roads observed north of the subject property in the 1960 aerial are visible again. |
| 1990 | Graded land/surface mining and dirt roads are visible throughout the subject property. Disturbed land and the beginnings of development is visible west, south, and east of the subject property. The areas north of the subject property appear similar to the 1977 aerial photograph. |
| 1994 | Graded land/surface mining is visible throughout the subject property. Asphalt paving is visible on the southwestern portion of the subject property. A bridge/conveyor belt is visible on the southeastern portion of the subject property connecting to the eastern adjoining property. A highway is under construction north of the subject property. A paved multi-lane road is visible east of the subject property. Disturbed land/surface mining activities are visible south of the subject property. A paved road and asphalt paving is visible south of the western portion of the subject property. A paved road followed by graded land is visible west of the subject property. |
| 2005 | Disturbed land/surface mining activities and large piles of soil are visible on the western and central portions of the subject property. Agricultural land, likely associated with the landscaping tenant Instant Jungle, is visible on the eastern portion of the subject property. Office trailer size buildings are |

| | |
|------|--|
| | <p>visible on the southeastern portion of the subject property. The conveyor belt is visible on the southeastern portion of the subject property.</p> <p>A multi-lane highway is visible north of the subject property. A paved road, followed by a commercial building complex is visible west of the subject property. The commercial building complex is visible southwest of the subject property. Surface mining activities are visible south of the subject property. A multi-lane road and surface mining activities are visible east of the subject property.</p> |
| 2009 | <p>The subject property appears to be graded and unpaved. Vehicle parking is visible throughout the northern and eastern portions of the property. Agricultural land is visible on the eastern portion of the subject property. Dark brown land is visible on a portion of the western subject property. The conveyor belt is no longer visible on the southeastern portion of the subject property. Office trailer sized buildings are visible on the southeastern portion of the subject property.</p> <p>The adjoining properties appear similar to the 2005 aerial photograph.</p> |
| 2010 | <p>The subject property and surrounding properties appear to be similar to the 2009 aerial photograph with the exception of additional office sized trailers located on the northwestern portion of the subject property.</p> |
| 2012 | <p>The subject property and surrounding properties appear to be similar to the 2010 aerial photograph.</p> |

8. Review of Historical Topographic Maps

Historical topographic maps were obtained from EDR. Historical topographic maps are another historical source that can be used to document the prior use of the subject property and surrounding area. Topographic maps from 1901, 1902, 1942, 1950, 1968, 1978 (photo-revised from 1968), 1981 (photo-revised from 1968), 1982 (photo-revised from 1968), and 1997 were reviewed (Appendix E).

The topographic maps show the following:

| Date | Scale | Description |
|------|-----------|--|
| 1901 | 1:250,000 | The subject property is not depicted at this scale. The subject property and surrounding area appear to be undeveloped. |
| 1902 | 1:125,000 | No development is depicted on the subject property. An unimproved road is visible west of the subject property. An intermittent stream is visible east of the subject property. Undeveloped properties are depicted north and south of the subject property. |
| 1942 | 1:50,000 | An unimproved road and intermittent stream are depicted along the eastern and western boundaries of the subject property. Vacant properties are depicted north and south of the subject |

| | | |
|------|----------|--|
| | | property. |
| 1950 | 1:24,000 | The subject property and adjoining properties appear similar to the 1942 topographic map except for the intermittent stream, which is no longer depicted adjacent to the western subject property boundary. The intermittent stream is located approximately 600 feet west of the subject property. |
| 1968 | 1:24,000 | Shrubland is depicted on the subject property. An unimproved road, followed by an orchard is depicted west of the subject property. Shrubland is depicted north and south of the subject property. An intermittent stream and shrubland, followed by an unimproved road are depicted east of the subject property. |
| 1978 | 1:24,000 | The subject and adjoining properties appear similar to the 1968 topographic map. |
| 1981 | 1:24,000 | The subject property and the northern, and southern properties appear similar to the 1968 topographic map. The orchard is no longer visible west of the unimproved road. The shrubland is no longer visible east of the intermittent stream and unimproved road. |
| 1982 | 1:24,000 | The subject property, northern adjoining property, and southern adjoining property appear similar to the 1981 topographic map. The orchard is depicted west of the subject property. Gravel pits and mining is depicted east of the intermittent stream and unimproved road. |
| 1997 | 1:24,000 | The subject property and southern adjoining property appear similar to the 1982 topographic map. A light duty road is visible southwest of the subject property. An orchard is depicted west of the subject property; the unimproved road is no longer visible west of the subject property. A highway is depicted north of the subject property. A secondary highway followed by a gravel pit is depicted east of the subject property. |

Mr. Tucker provided a site map which displays a 2012 aerial photograph with the site topography (Appendix C). The subject property's elevation of approximately 950 feet mean sea level (msl) depicted in the 1997 topographic map is depicted as approximately 750 feet msl on the 2012 map.

9. Site History

This site history is based on the interview and a review of historical aerial photographs and historical topographic maps.

The subject property was undeveloped from at least 1938 until 1977. According to Ms. Pittman, El Toro Materials began sand mining on the subject property in the late 1980s. Structures were visible on the subject property by 2002. El Toro Materials discontinued

its operation at the subject property in 2010. Since least 2010, Ms. Pittman stated that the subject property has been leased out to tenants for equipment and vehicle storage purposes.

Adjacent properties have consisted of undeveloped scrubland, agricultural land, commercial development, sand and gravel activities, and roadways.

Historical Sanborn fire insurance maps were requested from EDR. Sanborn maps provide information regarding the historical uses of the subject property and surrounding properties. Sanborn maps were not available for the subject property (Appendix H).

City directory listings were requested from EDR as another source of historical information (Appendix H). The subject property was not identified in the city directory. The addresses listed are located between 1/8 and 1/2 mile from the subject property.

10. Public Agency Records Search Review

The regulatory database gives a listing of sites, within an approximately one-mile radius of the subject property, which are known to be chemical handlers, hazardous waste generators, or polluters. Information in these listings includes the location of the site relative to the subject property, sources of pollution, and the status of the site. The search performed for this assessment was conducted in November 2013 by EDR. The complete database search report is included as Appendix B.

The subject property was listed in the computerized regulatory databases searched by EDR (Section 10.2 and 10.3).

Four additional sites within the specified search distances were identified in the database search. The following sections describe which databases were searched and how many facilities were identified within those databases.

10.1. U.S. Environmental Protection Agency (EPA) Federal Sources

The following computer databases were included in this search:

| ACRONYM | DATABASE | SEARCH DISTANCE |
|------------------|---|-----------------|
| NPL | National Priorities List (including proposed NPL sites) | 1 mile |
| Proposed NPL | Proposed National Priority List Sites | 1 mile |
| Delisted NPL | National Priority List Deletions | 1 mile |
| NPL LIENS | Federal Superfund Liens | Target Property |
| CERCLIS | Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) | 0.5 mile |
| CERCLIS NFRAP | CERCLIS No Further Remedial Action Planned | 0.5 mile |
| CORRACTS | Resource Conservation and Recovery Act (RCRA) Corrective Action | 1 mile |
| RCRA TSDF | RCRA - Transportation, Storage, and Disposal | 0.5 mile |
| RCRA GEN | RCRA registered small or large generators of hazardous waste | 0.25 mile |
| ERNS | Emergency Response Notification System of spills | Target Property |
| HMIRS | Hazardous Materials Information Reporting System | Target Property |
| US ENG CONTROLS | Sites with Engineering Controls | 0.5 mile |
| US INST CONTROLS | Sites with Institutional Controls | 0.5 mile |
| DOD | Department of Defense Sites | 1 mile |
| FUDS | Formerly Used Defense Sites | 1 mile |
| US BROWNFIELDS | A Listing of Brownfields Sites | 0.5 mile |
| CONSENT | Superfund (CERCLA) Consent Decrees | 1 mile |
| ROD | Record of Decision | 1 mile |
| UMTRA | Uranium Mill Tailings Sites | 0.5 mile |
| ODI | Open Dump Inventory | 0.5 mile |
| TRIS | Toxic Release Inventory Database | Target Property |
| TSCA | Toxic Substance Control Act | Target |

| ACRONYM | DATABASE | SEARCH DISTANCE |
|------------------|---|-----------------|
| | | Property |
| FTTS | Federal Insecticide, Fungicide, & Rodenticide Act/TSCA Tracking System | Target Property |
| SSTS | Section 7 Tracking Systems | Target Property |
| ICIS | Integrated Compliance Information System | Target Property |
| US CDL | Clandestine Drug Lab Locations | Target Property |
| LUCIS | Land Use Control Information System for former Navy base realignment and closure properties | 0.5 mile |
| RADINFO | Radiation Information Database | Target Property |
| PADS | PCB Activity Database System | Target Property |
| MLTS | Material Licensing Tracking System | Target Property |
| MINES | Mines Master Index File | 0.25 mile |
| FINDS | Facility Index System/Facility Identification Initiative Program Summary Report | Target Property |
| RAATS | RCRA Administrative Action Tracking System | Target Property |
| LIENS2 | CERCLA Lien Information | Target Property |
| DOT OPS | Department of Transportation, Office of Pipeline Safety Incident and Accident database | Target Property |
| US HIST CDL | National Clandestine Laboratory Register | Target Property |
| RCRA-NonGen | RCRA – Non Generators | 0.25 mile |
| HIST FTTS | FIFRA/TSCA Tracking System Administrative Case Listing | Target Property |
| FEDERAL FACILITY | Federal Facility Site Information Listing | 1 mile |
| COAL ASH DOE | Steam-Electric Plan Operation Data | Target Property |
| COAL ASH EPA | Coal Combustion Residues Surface Impoundments List | 0.5 mile |
| PCB TRANSFORMER | PBC Transformer Registration Database | Target Property |

El Toro Materials Co, which formerly operated on the subject property was listed in two federal database records searched by EDR: US MINES and FINDS. El Toro Materials Co was identified in the FINDS database due to the air emission from the mining activities. El Toro Materials was listed in the MINES database as a sand mine and plant. Several violations were issued in 2003 and 2005. The violations were abated by 2005 and 2006.

In addition to the subject property, one site was identified in federal databases within one mile of the subject property. Since the site was also identified in the State databases, it is discussed in Section 10.2.

10.2. State Sources

The following computer databases were included in this search:

| ACRONYM | DATABASE | SEARCH DISTANCE |
|--------------------|--|-----------------|
| Hist Cal-Sites | Calsites Database | 1.0 mile |
| CA Bond Exp. Plan | Bond Expenditure Plan | 1.0 mile |
| SCH | Proposed and Existing School Sites Being Evaluated By DTSC | 0.25 mile |
| Toxic Pits | Toxic Pits Cleanup Facilities | 1.0 mile |
| WMUDS/SWAT | Waste Management Unit Database/Solid Waste Assessment Test | 0.5 mile |
| CORTESE | State Index of Properties with Hazardous Waste | 0.5 mile |
| SWRCY | Recycling Facilities in California | 0.5 mile |
| San Diego Co. HMMD | Hazardous Material Management Database | Target Property |
| San Diego Co. SAM | Site Assessment Mitigation Database | 0.5 mile |
| LUST | Leaking Underground Storage Tank | 0.5 mile |
| CA FID UST | Facility Inventory Database | 0.25 mile |
| SLIC | Statewide SLIC Cases | 0.5 mile |
| UST | Registered Underground Storage Tanks, Including Tanks On Indian Land and Historic USTs | 0.25 mile |
| HIST UST | Historic Underground Storage Tank | 0.25 mile |
| AST | Registered Aboveground Storage Tanks | 0.25 mile |

| ACRONYM | DATABASE | SEARCH DISTANCE |
|------------------|---|-----------------|
| SWEEPS UST | UST listing maintained by RWQCB in the 1980s | 0.25 mile |
| CHIMIRS | California Hazardous Waste Material Incident Report System | Target Property |
| Notify 65 | Proposition 65 | 1.0 mile |
| DEED | Department of Health Services – Land Use and Air Assessment | 0.5 mile |
| VCP | Voluntary Cleanup Program Properties | 0.5 mile |
| DRYCLEANERS | Dry Cleaner Facilities | 0.25 mile |
| WIP | Well Investigation Program Case List | 0.25 mile |
| CDL | Clandestine Drug Labs | Target Property |
| LIENS | Environmental Liens in California where DTSC is the lien holder | Target Property |
| RESPONSE | State Response Sites | 1.0 mile |
| HAZNET | Hazardous Waste Information System | Target Property |
| EMI | Emissions Inventory Data | Target Property |
| ENVIROSTOR | EnviroStor Database | 1.0 mile |
| INDIAN RESERV | Indian Reservations | 1.0 mile |
| INDIAN LUST | Leaking Underground Storage Tanks on Indian Land | 0.5 mile |
| INDIAN UST | Underground Storage Tanks on Indian Land | 0.25 mile |
| INDIAN ODI | Report on the Status of Open Dumps on Indian Lands | 0.5 mile |
| INDIAN VCP | Voluntary Cleanup Priority Listing | 0.5 mile |
| SWF/LF | Solid Waste Information System | 0.5 mile |
| DEBRIS REGION 9 | Torres Martinez Reservation Illegal Dump Site Locations | 0.5 mile |
| HIST CORTESE | Hazardous Waste & Substances Site List | 0.5 mile |
| SCRD DRYCLEANERS | State Coalition for Remediation of Drycleaners Listing | 0.5 mile |
| FEMA UST | Underground Storage Tank Listing | 0.25 mile |
| HAULERS | Registered Waste Tire Haulers Listing | Target Property |
| NPDES | NPDES Permit Listing | Target Property |
| WDS | Waste Discharge System | Target Property |
| PROC | Certified Processors Database | 0.5 mile |

| ACRONYM | DATABASE | SEARCH DISTANCE |
|---------------------|--|-----------------|
| MWMP | Medical Waste Management Program Listing | 0.25 mile |
| HWT | Registered Hazardous Waste Transporters Database | 0.25 mile |
| FINANCIAL ASSURANCE | Financial Assurance Information Listing | Target Property |
| HWP | Envirostor Permitted Facilities Listing | 1.0 mile |
| LDS | Land Disposal Sites Listing | Target Property |
| MCS | Military Cleanup Sites Listing | Target Property |

A total of four sites were listed in the state or local regulatory databases searched by EDR; the subject property was not listed.

The four listed sites are discussed below:

- ARCO Facility, 29080 Portola Parkway, is located between 1/8 and 1/4 mile south of the subject property. The facility was identified on the RCRA NonGen/NLR, FINDS, UST, and EDR US Hist Auto Station databases. No violations were reported for the ARCO filling station. No information on the age of the UST(s) or the contents was included in the EDR report.
- Mobil, 27252 Portola Parkway, is located between 1/8 and 1/4 mile north of the subject property. The facility was identified on the UST and EDR US Hist Auto Station databases. No information on the age of the UST(s) or the contents was included in the EDR report.
- Orange County Fire Station, 19811 Pauling, is located between 1/4 and 1/2 mile north of the subject property. The facility was identified on the LUST database. The soil only release was closed on March 18, 2003. Due to the release type (soil only), distance from the subject property (greater than 1/4 mile), and release status (closed), it is unlikely that the Orange County Fire Station has impacted the environmental conditions of the subject property.
- Corner of Los Alisos Boulevard and Santa Margarita is located between 1/2 and 1 mile southeast of the subject property. The site was listed in the Notify 65 database.

10.3. EDR Proprietary Historical Databases

The following computer databases were included in this search:

| ACRONYM | DATABASE | SEARCH DISTANCE |
|-------------------------|---|-----------------|
| Manufactured Gas Plants | EDR Proprietary Manufactured Gas Plants | 1 mile |
| EDR Historical | EDR Proprietary Historic Gas Stations | 0.25 mile |

| | | |
|-------------------------------|---------------------------------------|-----------|
| Auto Stations | | |
| EDR Historical Cleaners | EDR Proprietary Historic Dry Cleaners | 0.25 mile |

Two facilities, which were discussed in Section 10.2, were listed as EDR Historic Gas Stations. The database listings indicated that the gas stations have been present since at least 1999.

10.4. Unmapped Sites

Unmapped sites are due to inadequate address information. A total of 20 sites were listed in the EDR report as unmapped sites due to insufficient address information. Dudek performed additional research to accurately locate these sites in relation to the subject property. Two of the 20 unmapped sites were listed within one mile of the subject property. None of the unmapped sites were listed in any databases that would indicate an impact to the subject property. Therefore, it is unlikely that the unmapped sites have impacted the environmental conditions of the subject property.

11. Vapor Encroachment Screening

A vapor encroachment screen report was prepared using EDR's vapor encroachment worksheet (Appendix I). A "Tier I" Vapor Encroachment Screening (VES) was performed for the subject property in accordance with ASTM E 2600-10 "Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions." The Tier I VES was performed to evaluate whether there is a potential for vapors originating from contaminated soil and/or groundwater to occur in the subsurface below the existing and proposed onsite structures.

The EDR vapor encroachment worksheet evaluated types of soils, geology, and hydrology as well as listed contaminated sites as identified in Federal, State, and local databases. The following table presents a summary of the vapor encroachment condition (VEC) findings:

| Potential for Vapor Intrusion on Subject Property | |
|--|-----------------------|
| Areas of Concern | Conclusion |
| Subject Property (existing conditions) | None identified. |
| Subject Property (former condition) | None identified. |
| Adjoining Property or near-by Property Operations or Existing Conditions | VEC can be ruled out. |
| Historical Uses of Adjoining Property or Near-by Properties | VEC can be ruled out. |

| | |
|--|--|
| Regulatory Review of sites identified on Federal, State, and Local databases | Sites are further discussed in Section 10. |
|--|--|

Based on this screening and the further research discussed in Section 10.2 and 10.3, a VEC was not identified for the subject property.

12. Evaluation of Potential Hazards and Environmental Concerns

Dudek obtained information regarding the following potential sources of hazards and hazardous material releases from the interview, site reconnaissance, and the EDR report.

Agricultural Use

Based on a review of historical aerial photographs, the subject property has not been used for agriculture. The western adjoining property was used as agricultural land between 1968 and 1977.

Off-Site Sources

Based on the results of the database search by EDR it is unlikely that off-site sources have impacted the environmental conditions of the subject property.

Residential Use

Based on a review of historical aerial photographs and the interview, the subject property has not been used for residential purposes.

PCB Items

A former PCB containing transformer was present on the subject property. Ms. Pittman provided documentation which showed that the PCB-containing transformer was sampled and properly disposed. Ms. Pittman stated that the remaining onsite transformers do not contain PCBs.

Fill Material

Piles of fill soil were observed on the northwestern portion of the subject property. Ms. Pittman indicated that a tenant stores the clean fill onsite, which will be used during future construction projects.

Debris

Miscellaneous solid debris is disposed in onsite dumpsters. Ms. Pittman stated that the solid waste is picked up on a weekly basis.

Tanks

No evidence of underground storage tanks was observed on the subject property during the site reconnaissance. Seven ASTs, a 2,500 gallon water AST, and water tower were observed on the subject property. Four ASTs has fuel dispensers connected to them. The

remaining three ASTs consisted of two poly tanks and one unknown construction. No information pertaining to the contents of the seven ASTs was readily available.

13. Data Gaps

The following data gaps were identified for this Phase 1 ESA.

- Dudek did not have access to several tenant spaces.
- Dudek was unable to access the interior of tenant-owned storage containers. No staining was visible in the vicinity of the storage containers.
- Although tenant interview questionnaires were reportedly submitted to all 81 tenants, Dudek only received questionnaires from 45 tenants.

As a result, no conclusions about the current environmental conditions of these areas were made.

14. Conclusions and Recommendations

Information obtained during the Phase I ESA indicated that the subject property was part of a sand and gravel mine from the late 1980s until 2010. Since 2010, tenants lease portions of the property. The tenant spaces are primarily used for equipment and vehicle storage associated with construction and landscaping operations.

At least four ASTs that appear to be used for petroleum product storage were observed on the subject property. Two of the four ASTs were observed within secondary containment steel structures. Minor staining and gasoline odors were observed in the vicinity of the ASTs located on the southwestern portion of the subject property. No staining was observed in the vicinity of the remaining ASTs.

Three additional ASTs were observed on the subject property. No staining was observed near the ASTs.

Chemical storage was observed throughout the subject property. Five gallon containers up to 55 gallon drums were observed in tenant spaces throughout the subject property. Minor staining was observed in the northern and eastern portions of the subject property. In addition, plastic totes containing polyurethane resin was observed in the central portion of the subject property.

A former PCB-containing transformer was located on the subject property. The transformer was properly disposed of in 2011. Three non-PCB containing transformers are currently located on the subject property. Ms. Pittman stated that two of the transformers are not currently in use and in the process of being sold.

Large storage containers were observed in tenant spaces throughout the subject property. Access to the storage containers was not available during the site reconnaissance. No staining was observed surrounding the storage containers.

A detention basin is located in the northeastern portion of the subject property.

Adjacent properties have consisted of sand and gravel mining, agricultural land, and roadways. The adjacent properties currently consist of Highway 241, Rancho Parkway, Portola Parkway, and commercial properties.

Based on a review of the EDR report, it is unlikely that other properties have impacted the environmental conditions at the subject property.

Dudek has performed a Phase I Environmental Site Assessment of the subject property in conformance with the scope and limitations of ASTM Practice E 1527-13. Based on information reviewed, no recognized environmental conditions were identified. The following historical recognized environmental condition was identified:

- A PCB-containing transformer was previously located on the subject property. In 2011, the PCB-containing transformer was properly removed from the site and disposed according to applicable local, state, and federal regulations.

Dudek recommends that Baker Ranch follow up with all tenants to verify that housekeeping practices with regard to chemical storage and use are in accordance with local statutes.

15. Limitations

The findings and conclusions presented in this report are professional opinions based solely upon the indicated data described in this report, visual observations of the property and vicinity and our interpretation of the available historical information and documents reviewed. Dudek makes no warranty as to the accuracy of statements made by others or the accuracy of information included in documentation reviewed in connection with this study. It should be recognized that this study was not intended to be a definitive investigation of potential contamination at the property and that the recommendations do not necessarily include all conditions that may be present. Because the scope of the investigation was limited, it is possible that currently unrecognized conditions or contamination might exist at the property.

No warranties or guarantees or representations, expressed or implied, are made by Dudek, except that this report has been prepared in accordance with current generally accepted practices and standards consistent with the level of care and skill exercised under similar circumstances by other professionals performing the same or similar services. The conclusions are intended exclusively for the purpose outlined herein and

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FIGURES



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SOURCE: Microsoft Bing Maps, 2009

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Baker Ranch Phase I

FIGURE 1
Regional Map



FIGURE 2
Site Map

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SOURCE: Microsoft Bing Maps, 2009

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Baker Ranch Phase I ESA - 28201 Rancho Parkway, Lake Forest, California